

Department of Social and Health Services

DP Code/Title: PL-CF Residential Community Capacity

Program Level - 030 Mental Health

Budget Period: 2003-05 Version: 11 2003-05 Agency Request Budget

Recommendation Summary Text:

Funding is requested for the Mental Health Division (MHD) to work with the Regional Support Networks (RSN) to implement a plan to increase community residential capacity.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 030			
001-1 General Fund - Basic Account-State	3,537,000	6,824,000	10,361,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	1,726,000	5,316,000	7,042,000
Total Cost	5,263,000	12,140,000	17,403,000

Staffing

Package Description:

MHD engaged the Public Consulting Group (PCG) to conduct a study of current capacity and needs of inpatient and residential behavioral health services for adults in Washington State. The study examined current capacity, current utilization in state hospitals and Evaluation and Treatment (E&T) facilities used by the RSNs, and a comparison of resources available in a select group of peer states. The conclusions and recommendations of the PCG report strongly support efforts to infuse additional funding directed toward the building and development of increasing community inpatient and residential capacity. The plan calls for MHD to develop an implementation strategy that ensures the startup and continued, sustained funding for RSNs ready to develop new residential alternatives. A staff will develop new community services, prepare analysis of current Centers for Medicaid and Medicare Services (CMS) waiver and Medicaid billing operations to ensure the federal dollars are maximized to support these new directions, and a three biennium financial plan for full implementation.

Some of the key areas of focus are:

- Increasing the availability of the continuum of care for consumers of mental health services.
- Continuing to enhance cross system collaboration within DSHS and with other departments.
- Making investments in new and expanded community services across the state, including acute care beds, crisis and respite beds, residential beds.

Intensive case management services, and other services to enhance care in community settings:

- Intensive work at the state hospitals to encourage timely discharge planning.
- Re-evaluating the role of state hospitals, particularly once these enhancements in community services are achieved and the impact on state hospital utilization are known.

This request supports the PCG recommendation to enhance services in the community, including acute care, crisis respite, and residential beds, intensive case management, and other supportive services. These services will be provided to individuals with psychiatric disorders, and/or individuals with co-occurring medical and behavioral disorders such as dementia or traumatic brain injuries.

Narrative Justification and Impact Statement

How contributes to strategic plan:

This decision package supports goal of the MHD strategic plans.

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Performance Measure Detail

Program: 030

Goal: 16C The Appropriate Level of Service is Provided

Incremental Changes

Output Measures

FY 1

FY 2

C01 Number of persons served in a Residential Community Setting.

109

138

Reason for change:

State hospitals were originally created to provide indefinite care for individuals with severe and persistent mental illness. With the advent of medications and more effective treatment approaches, individuals with severe mental illness are more able to manage their symptoms and live in their communities. As a result, the primary function of state hospitals has changed from providing indefinite care to providing inpatient psychiatric hospital treatment for individuals who have been involuntarily committed by a court in order to stabilize their conditions and assist with the return to their communities. Chapter 71.05 RCW establishes legislative intent to "prevent inappropriate, indefinite commitment of mentally disordered persons", and directs "whenever appropriate, that services should be provided in the community."

At the national and state level, there is continued pressure to assure that individuals residing in institutions have the option for community living. These efforts have been highlighted through litigation such as the Olmstead lawsuit in Georgia where the United States Supreme Court found that the state was violating the rights of two plaintiffs by keeping them in a state psychiatric hospital despite their desire to live in the community. Washington State has settled one lawsuit related to the services and community options for state hospital patients with developmental disabilities and is currently facing another. In addition, state hospitals may be at risk of losing federal revenue for patients who no longer require active treatment.

This initiative will help to strengthen DSHS efforts to assure that services are provided in the community whenever appropriate. It will build upon Enhanced Community Services efforts by providing resources for additional state hospital patients, as well as individuals currently at risk of hospitalization.

Impact on clients and services:

This will have significant positive impact on clients and their services. It will provide more resources to serve consumers in their home communities, and alternatives to state operated psychiatric hospital level care.

Impact on other state programs:

Health and Rehabilitation Services Administration, Medical Assistance Administration, Aging and Adult Services Administration, and the Department of Health.

Relationship to capital budget:

None

Required changes to existing RCW, WAC, contract, or plan:

No revisions are required.

Alternatives explored by agency:

The alternatives considered are leaving the system as it is, increasing funding for community inpatient beds, and/or increasing funding for the state hospitals to support the clients needing care within the mental health system. None of these options were considered to be in the best interest of our clients or financially appealing. The need for lower-cost, better suitable placements in the community for mental health clients is essential. This package is one step toward meeting the

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divisions goal of serving clients in the most effective and most appropriate setting.

Budget impacts in future biennia:

Levels of funding requested in this decision package would continue into future biennia.

Distinction between one-time and ongoing costs:

All costs except start-up will be ongoing.

Effects of non-funding:

Current inadequacies in community based care would continue; it would be more likely that unnecessary or inappropriate state hospitalizations would continue to occur.

Expenditure Calculations and Assumptions:

See attachment - MHD PL-CF Residential Community Capacity.xls

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Program 030 Objects			
N Grants, Benefits & Client Services	5,263,000	12,140,000	17,403,000

DSHS Source Code Detail

Program 030		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	3,537,000	6,824,000	10,361,000
<i>Total for Fund 001-1</i>		3,537,000	6,824,000	10,361,000
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa				
<u>Sources</u>	<u>Title</u>			
19TA	Title XIX Assistance (FMAP)	1,726,000	5,316,000	7,042,000
<i>Total for Fund 001-C</i>		1,726,000	5,316,000	7,042,000
Total Program 030		5,263,000	12,140,000	17,403,000